

**MAHINDRA & MAHINDRA FINANCIAL
SERVICES LIMITED**

WHISTLE BLOWER POLICY

Whistle Blower Policy

Name of Document	Whistle Blower Policy
Version	04
State whether Policy/Code/Manual/Guideline	Policy
Group Level/Sector Level (Specify which sector)	Mahindra & Mahindra Financial Services Limited
Issuing Authority	Mr. Ramesh Iyer, Vice-Chairman & Managing Director
Owner of the document	Mr. V. Ravi, Executive Director and Chief Financial Officer
Effective date of document	23rd April, 2012
Release Date	23rd April, 2012
Date of last review	7th March, 2019
Next review date	March 2021
Version History	<p>Version 1: Initial version dated 23rd April, 2012.</p> <p>Version 2: Incorporated changes pertaining to Insider Trading Regulations. Effective from 23rd April, 2014.</p> <p>Version 3 : Incorporated applicable provisions of New Listing Regulations in the Policy. Effective from 21st January, 2016.</p> <p>Version 4: Incorporated changes pertaining to Insider Trading Regulations. Effective from 1st April, 2019.</p>

Background:

The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed is implemented through the Whistle Blower Policy to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

TABLE OF CONTENTS

TOPIC	PAGE
Overview	4
Intent of the Policy	5
Definitions	5
Scope	6
Procedure.....	7
Investigation Procedure	8
Disqualifications	9
Investigators	9
Reporting	10
Whistleblower’s Protection	10
Retention of Documents	11
Amendments to the policy	11
Guidance	11

The Whistle Blower Policy shall come into effect from 23rd April, 2012.

The Whistle Blower Policy has been amended in April, 2014, January, 2016 and March, 2019 to align it with the provisions of the Companies Act, 2013, the Companies Rules 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

OVERVIEW

Mahindra & Mahindra Financial Services Limited (MMFSL/the Company) is committed to the highest standards of ethics and integrity. The Board of Directors (Board) and the Senior Management of the Company are committed to maintenance of higher standards of honesty and integrity, and to promoting and maintaining a corporate culture that adheres to these values. In pursuance of this philosophy, MMFSL has put in place a Whistle Blower Policy to define a mechanism that will address any complaints related to fraudulent transactions or reporting, intentional non-compliance with the Company's policies and procedures and any other questionable accounting/ operational process followed.

Vigil Mechanism: The Vigil Mechanism as envisaged in the Companies Act 2013 and the Rules prescribed is implemented through the Whistle Blower Policy to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

Further, Regulation 22 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *"Listing Regulations"+ inter alia, provides for a mandatory requirement for all listed companies to establish a Vigil Mechanism called the 'Whistleblower Policy' for directors and employees to report genuine concerns. Pursuant to sub-regulation (2) of Regulation 22, the Vigil Mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

Further, pursuant to Regulation 4 (2) (d) of the Listing Regulations the listed entity shall devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Accordingly, this Whistle Blower Policy ("the Policy" or "this Policy") has been formulated with a view to provide a mechanism for Directors, Employees and all stakeholders of the Company to approach the Chairman of the Audit Committee of the Company or Chairman of the Company or the Corporate Governance Cell.

This Policy is in addition to the Codes, Policies and the structure inter-alia consisting of Corporate Governance Coordinator(s) and the Corporate Governance Officer(s) functioning thereunder. The existing policies will continue to remain effective.

INTENT OF THE POLICY

The intent of this policy is to help detect and address unacceptable conduct relating to auditing, accounting and operational activities, and make employees/stakeholders aware that such conduct can be reported in good faith and without fear of retaliation using the reporting channels of MMFSL.

DEFINITIONS

The definitions of the key terms used in this Policy are given below. [*Terms not defined hereinbelow shall have the meaning assigned to them under the Codes/Policies.*]

a.	“Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with section 177 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
b.	“Codes” mean two separate Codes of Conduct viz. one for Directors and other for Senior Management and Employees.
c.	“Corporate Governance Cell” means a Cell set up for the implementation and compliance of Corporate Governance Policies. The Corporate Governance Cell is also responsible to review the efficacy of these Corporate Governance Policies and suggest amendments to make them responsive to the changing times.
d.	“Corporate Governance Policies” or “Policies” means Policies inter alia including Disaster Management, Environment & Pollution, Human Resources, Insider Trading, Quality, Investor Relations, etc., framed by the Company from time to time.
e.	“Director” means a Director appointed to the Board of the Company.
f.	“Employee” means every Employee of the Company (whether working in India or abroad), including the Directors in the whole time employment of the Company.
g.	“Investigators” mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee / Chairman of the Company / Corporate Governance Cell, including the Auditors of the Company and the Police.

h.	“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence illegal or unethical behaviour, actual or suspected fraud or violation of the Company’s Codes or Policies or any improper activity.
i.	“Subject” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
j.	“Whistle Blower” means a Director/Employee, customer, vendor, supplier, dealer or any stakeholder making a Protected Disclosure under this Policy.
k.	“Unpublished Price Sensitive Information” is as defined under Regulation 2(1)(n) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Mahindra & Mahindra Financial Services Limited Insider Trading Code.

SCOPE

The policy applies to all Directors, Employees, customers, dealers, vendors, suppliers or any stakeholders associated with the Company. All Employees of the Company are eligible to report any instance of leak of Unpublished Price Sensitive Information. The Protected Disclosures include but are not limited to the following actions:

- a) Misappropriation and criminal breach of trust
 - b) Fraudulent encashment through forged instruments, manipulation of books of accounts or through fictitious accounts and conversion of property
 - c) Asset Misappropriation, involving:
 - i) Theft of cash on hand
 - ii) Fraudulent disbursements
 - iii) Ghost employees
 - iv) Cheque tampering
 - v) Overstated or fictitious expenses
 - vi) Teeming and lading
 - d) Bribery and kickbacks
 - e) Negligence and cash shortages
 - f) Non-compliance with laws and regulations
 - g) Misuse of company information
 - h) Anti Trust or Insider Trading violations
 - i) Information relating to any of the above deliberately concealed or attempts being made to conceal the same
 - j) Any other type of fraud not coming under the specific heads as above
- Career related or other personal grievances are not a part of the scope of this policy.

PROCEDURE

- a.* All Protected Disclosures should be addressed to the Chairman of the Audit Committee of the Company or Chairman of the Company or the Corporate Governance Cell for investigation.
- b.* All Protected Disclosures should be addressed to the Chairperson of the Audit Committee of the Company or Chairman of the Company or Convenor of the Corporate Governance Cell for investigation.

The contact details are as under:

- (i) Chairperson of the Audit Committee or Chairman of the Company or Convenor of the Corporate Governance Cell :

Mahindra & Mahindra Financial Services Limited
Mahindra Towers, 4th Floor,
P. K. Kurne Chowk, Worli,
Mumbai 400 018.

- (ii) E-mail: MMFSL_WHISTLEBLOWER@mahindra.com

- c.* If a protected disclosure is received by any Executive(s) of the Company other than Chairman of Audit Committee or Chairman of the Company or the Corporate Governance Cell, the same should be forwarded to the Chairman of the Audit Committee or Chairman of the Company or the Corporate Governance Cell for further appropriate action.

Appropriate care must be taken to keep the identity of the Whistle Blower(s) confidential.

- d.* Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised, be typed in English, Hindi or in the Regional Language of the place of employment of the Whistle Blower(s).
- e.* The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower(s). The Chairman of the Audit Committee/ Chairman of the Company / the Corporate Governance Cell, as the case may be, shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- f.* In case, any member of the Vigil Committee or Corporate Governance Council has a perceived conflict of interest in the Protected Disclosure, the incident report will be shared with the Chairperson of the Audit Committee directly.
- g.* Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

In using any of the above mentioned channels of communication, one should furnish the following details:

- Nature of the alleged dishonest practice or improper behavior
- When did it occur
- Location of the occurrence
- The way in which the wrong doing was committed
- The person(s) allegedly involved in the wrong doing
- Amount of financial loss on account of alleged wrong doing
- Any documentation available to support the allegation (in case of email – scanned copies of supporting to be sent and in case of a telephone call, supporting documents to be posted)
- Other witnesses (if any) to the alleged wrong doing

Anonymous Allegations

The policy encourages the employees to put their names to allegations because appropriate follow up questions and investigation will not be possible unless the source of information is found. Concerns expressed anonymously will be investigated but consideration will be given to the seriousness of the issue raised and credibility of the concern.

For disclosures made anonymously, due care should be taken to disclose all the information listed on page number 5 of this document.

All disclosures received will be summarized and submitted to Chairman of the Audit Committee/ Chairman of the Company/ Corporate Governance Cell, for further action on a monthly basis or earlier, depending on the severity.

INVESTIGATION PROCEDURE

The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Audit Committee or Chairman of the Company or Corporate Governance Cell or the Investigators.

Protected Disclosure will be appropriately dealt with by the Chairman of the Audit Committee or the Chairman of the Company or Corporate Governance Cell, as the case may be.

The summary of disclosures will be reviewed by the Chairman of the Audit Committee of the Company / Chairman of the Company / Corporate Governance Cell. Anonymous disclosures will be investigated at the discretion of the Chairman of the Audit Committee of the Company / Chairman of the Company / Corporate Governance Cell based on the nature of the disclosure. Where any of the members of the Committee have a conflict of interest in a given case, such members should excuse themselves from the discussion and the remaining members shall deal with the subject matter.

An internal or external investigator will be deployed depending on the severity of the disclosure, and the investigation will be carried out as quickly and thoroughly as possible.

Where an improper practice is proved, this would cover suggested disciplinary action, including dismissal, if applicable, as well as preventive measures for the future. All discussions would be minuted and the final report prepared.

The identity of a Subject and the Whistle Blower would be kept confidential to the extent possible given the legitimate needs of law and the investigation.

Subjects would normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

Recommendations arising from the conclusions of the investigation will be actioned upon at the earliest.

DISQUALIFICATIONS

- a. While it would be ensured that genuine Whistle Blower(s) are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection would warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower(s) knowing it to be false or bogus or with a *mala fide* intention.
- c. Whistle Blower(s), who make any Protected Disclosures, which have been subsequently found to be *mala fide* or *malicious* or Whistle Blower(s) who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, would be disqualified from reporting further Protected Disclosures under this Policy and may be subject to disciplinary action.

INVESTIGATORS

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Chairman of the Audit Committee / Chairman of the Company / Corporate Governance Cell when acting within the course and scope of their investigation.

- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of legal and professional standards.
- c. Investigations would be launched only after a preliminary review by the Chairman of the Audit Committee or the Chairman of the Company or the Corporate Governance Cell, as the case may be, which establishes that:

 - i. the alleged act constitutes an improper or unethical activity or conduct; and
 - ii. the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of Management review.

REPORTING

A summary of the disclosures and outcome of the investigations shall be placed by the Corporate Governance Cell before the Audit Committee on a regular basis.

WHISTLE BLOWER'S PROTECTION

If a Whistle Blower raises a concern under this Policy, s/he will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner.

An employee of MMFSL will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:

- (a) The communication/ disclosure is made in good faith;
- (b) S/he reasonably believes that information, and any allegations contained in it, are substantially true; and
- (c) S/he is not acting for personal gain.

No action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

Help will be provided to an informant in order to minimize any difficulties, which s/he may experience. This may include advice on giving evidence if needed. Meetings may, if necessary be arranged off-site with her/ him, and with s/he being represented, if s/he so wishes.

RETENTION OF DOCUMENTS

All protected disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the company for the minimum period of 5 years.

AMENDMENTS TO THE POLICY

MMFSL reserves the right to amend or modify this policy in whole or part, at any time without assigning any reason whatsoever. However, no such amendment or modification would be binding on the Directors/ Employees and all other stakeholders unless the same is notified to the Directors/ Employees on the Company's website.